STATE RISK MANAGEMENT FUND
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2006

	June-06					March-06				December-05				September-05				Current FYTD	Prior Year FY05	3 Years Ended	5 Years Ended
		Allocation		Quarter	Month		Allocation		Quarter		Allocation		Quarter		Allocation		Quarter			6/30/2006	6/30/2006
	Market Value	Actual	Policy	Net ROR	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																					
Structured Growth																					
Los Angeles Capital	104,821	3.2%	3.4%	-2.57%	0.29%	128,790	3.4%	3.4%	4.95%	86,885	2.3%	3.4%	3.06%	86,016	3.5%	3.4%	5.45%	11.12%	7.56%	N/A	N/A
Total Structured Growth	104,821	3.2%	3.4%	-2.57%	0.29%	128,790	3.4%	3.4%	4.95%	86,885	2.3%	3.4%	3.06%	86,016	3.5%	3.4%	5.45%	11.12%	7.56%	12.01%	-0.32%
Russell 1000 Growth				-3.90%	-0.39%				3.09%				2.98%				4.01%	6.12%	1.68%	8.35%	-0.76%
Structured Value																					
LSV	111,854	3.4%	3.4%	1.25%	1.12%	133,351	3.5%	3.4%	6.54%	84,163	2.2%	3.4%	1.52%	86,609	3.5%	3.4%	5.06%	15.05%	18.35%	21.14%	12.22%
Russell 1000 Value				0.59%	0.64%				5.93%				1.27%				3.88%	12.10%	14.06%	15.70%	6.89%
Russell 1000 Enhanced Index																					
LA Capital	204,821	6.3%	6.8%	-2.36%	0.55%	238,999	6.3%	6.8%	4.96%	172,595	4.6%	6.8%	2.29%	171,794	7.0%	6.8%	6.45%	11.58%	7.93%	N/A	N/A
Russell 1000				-1.66%	0.13%				4.49%				2.12%				3.95%	9.08%	7.92%	N/A	N/A
S&P 500 Enhanced Index																					
Westridge	240,937	7.4%	6.8%	-1.40%	0.15%	278,385	7.3%	6.8%	4.26%	179,532	4.8%	6.8%	2.10%	166,334	6.7%	6.8%	3.64%	8.77%	6.58%	N/A	N/A
S&P 500				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	N/A	N/A
Index																					
State Street	74,513			-0.58%	1.06%	85,372			4.19%	55,092			2.07%	55,105			3.58%	9.51%	6.27%	11.47%	2.62%
Total Index	74,513	2.3%	2.3%	-0.58%	1.06%	85,372	2.2%	2.3%	4.19%	55,092	1.5%	2.3%	2.07%	55,105	2.2%	2.3%	3.58%	9.51%	6.27%	11.47%	2.62%
S&P 500				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	736,946	22.6%	22.5%	-1.39%	0.51%	864,897	22.8%	22.5%	4.88%	578,267	15.5%	22.5%	2.20%	565,857	22.9%	22.5%	4.97%	10.95%	8.89%	13.63%	3.95%
S&P 500				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY																					
Manager-of-Managers																					
SEI	242,791	7.4%	7.5%	-5.84%	-0.45%	295,713	7.8%	7.5%	13.24%	189,740	5.1%	7.5%	0.98%	187,700	7.6%	7.5%	5.49%	13.58%	9.32%	18.20%	7.84%
Russell 2000 + 200bp				-4.54%	0.81%				14.49%				1.64%				5.21%	16.86%	11.64%	21.06%	10.38%
TOTAL SMALL CAP DOMESTIC EQUITY	242,791	7.4%	7.5%	-5.84%	-0.45%	295,713	7.8%	7.5%	13.24%	189,740	5.1%	7.5%	0.98%	187,700	7.6%	7.5%	5.49%	13.58%	9.32%	18.20%	7.86%
Russell 2000				-5.02%	0.64%				13.94%				1.13%				4.69%	14.58%	9.45%	18.70%	8.50%
DOMESTIC FIXED INCOME																					
Core Bond																					
Western Asset	769,656	23.6%	21.7%	-0.34%	0.23%	846,494	22.3%	21.7%	-0.44%	637,504	17.0%	21.7%	0.28%	545,547	22.1%	21.7%	-0.41%	-0.90%	7.14%	7.36%	8.59%
Lehman Aggregate				-0.08%	0.21%				-0.65%				0.59%				-0.67%	-0.81%	6.80%	2.05%	4.97%
Index																					
Bank of ND	694,370	21.3%	21.7%	-0.03%	0.24%	757,712	19.9%	21.7%	-0.95%	573,570	15.3%	21.7%	0.56%	504,411	20.5%	21.7%	-0.72%	-1.14%	4.59%	1.14%	4.90%
Lehman Gov/Credit (1)				-0.14%	0.23%				-1.01%				0.60%				-0.96%	-1.52%	4.80%	1.04%	4.78%
BBB Average Quality																					
Wells Capital (formerly Strong)	768,380	23.5%	21.7%	-0.63%	0.10%	843,659	22.2%	21.7%	-1.02%	636,177	17.0%	21.7%	0.58%	539,353	21.9%	21.7%	-1.05%	-2.11%	9.14%	2.63%	N/A
Lehman US Credit BAA				-0.60%	0.16%				-1.20%				0.39%				-0.97%	-2.37%	8.60%	2.63%	N/A
TOTAL DOMESTIC FIXED INCOME	2,232,406	68.4%	65.0%	-0.33%	0.20%	2,447,865	64.4%	65.0%	-0.79%	1,847,251	49.4%	65.0%	0.46%	1,589,310	64.4%	65.0%	-0.73%	-1.39%	6.14%	6.59%	7.79%
Lehman Aggregate (2)				-0.08%	0.21%				-0.65%				0.59%				-0.67%	-0.81%	7.26%	1.84%	5.28%
CASH EQUIVALENTS																					
Bank of ND	52,711	1.6%	5.0%	1.26%	0.42%	191,796	5.0%	5.0%	1.17%	1,126,496	30.1%	5.0%	1.07%	123,248	5.0%	5.0%	0.93%	4.50%	2.46%	2.71%	2.42%
90 Day T-Bill				1.16%	0.38%				1.03%				0.92%				0.83%	4.00%	2.15%	2.37%	2.25%
TOTAL RISK MANAGEMENT FUND	3,264,853	100.0%	100.0%	-0.81%	0.24%	3,800,271	100.0%	100.0%	1.19%	3,741,754	100.0%	100.0%	0.86%	2,466,115	100.0%	100.0%	1.13%	2.38%	5.98%	5.46%	4.44%
POLICY TARGET BENCHMARK				-0.69%	0.24%				1.59%				1.00%				0.78%	2.71%	6.23%	5.12%	4.84%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.